

hunter valley vineyard association inc

Excellence with Tradition ABN: 15 728 023 119

Hunter Valley Vineyard Association Inc.

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Committee
President:
Mr Trevor Drayton

Secretary: Mr Phil Ryan

Mr Patrick Auld Mr Ken Bray Mr Will Creedon Mr Dan Dineen Mr Chris Elsmore Mr Geoff Krieger Mr Greg Silkman Mr Ian Tinkler Mr Bruce Tyrrell 21 July 2005

Mr Stephen Strachan Chief Executive Winemakers' Federation of Australia (WFA) P.O. Box 2414 KENT TOWN SA 5071



Dear Stephen,

Re: Senate Rural and Regional Affairs and Transport Reference Committee - Inquiry into the wine industry

The Hunter Valley Vineyard Association (HVVA) writes to lend its support to the Federation's submission to the abovementioned Committee's Inquiry into the Wine Industry (June 2005).

As the Hunter Valley Vineyard Association exists to assist its members in their participation in the Hunter Valley Wine Industry in all its facets from viticulture through to winemaking, sales and wine tourism, it is uniquely positioned to comment as its membership base represents both growers and winemakers.

The HVVA supports the WFA's position with regard to the following points:

- Whilst there is certainly a cyclical imbalance in the production of some wine grape varieties at present, the Association believes that there is no rationale for government intervention of the wine market, particularly with regards to minimum or fixed pricing, enforced vine pulls and restriction on vineyard plantings.
- The Association believes a mandatory Code of Conduct is unnecessary, however there is scope for wineries and grape growers to set best practice benchmarks and a role for peak bodies to encourage adherence to these policies.
- The Association does not support the introduction of mechanisms that will allow collective boycotts.
- The Association supports the establishment of a national grape grower body on the basis that the organisation is truly national and representative, properly resourced, has individual growers (not regions) as members, not address commercial matters and be voluntary.

The Hunter and Australian Wine Industry have succeeded domestically and internationally through innovation, competition and self regulation. The industry has found itself (due to the cyclical nature of primary industry) in periods of cyclical imbalance many times previously. It has been the Industry's ability to get on with producing a world class product, and the relentless persistence of its sales force, not government intervention, that has produced the vibrant industry we have today.

The Association strongly supports the Winemakers' Federation of Australia on its position to this inquiry, and is available for further comment if required.

Yours sincerely

Prevor Drayton

President

Maureen Weeks, Committee Secretary, Senate Rural & Regional Affairs & Transport References Committee